

## **2009 Reappraisal Cycle: A Change in Property Valuation**

Almost all real estate in Montana is appraised for purposes of property taxation.<sup>1</sup> The Montana Legislature set a six year tax appraisal cycle for agricultural, residential, commercial, and forestland property. The next reappraisal will be implemented in 2009. The new valuations may trigger a number of appeals, particularly in high growth areas which are likely to see the highest valuation increases.

In addition, as a part of reappraisal, the Department of Revenue is reviewing productivity standards for agricultural lands for the first time in forty years. The Department anticipates sending productivity reports to all agricultural producers during 2008. It is critical to review this material, and if there is concern, to contact the Department of Revenue as soon as possible.

In the first half of 2009, probably May or June, the Department of Revenue will send an appraisal notice to agricultural, business, residential and forestland property owners. The appraisal notice is not the same as a tax bill. This distinction is critical because of the statutory timeline for appealing a valuation.

Taxpayers may request an informal review of their valuations from the Department of Revenue by completing an AB-26 Form (Request for an Informal Review). The completed form is submitted to the local appraisal office. This step is not required but may resolve any issues about the valuation.

If the results of the informal review are unsatisfactory, the taxpayer or the taxpayer's agent may file a written application for reduction in value<sup>1</sup>. The application may be obtained at the local DOR office and must be filed with the Clerk and Recorder. The application must be submitted on or before the first Monday in June or 30 days after receiving either a notice of classification and appraisal or decision by the department from the informal review process, whichever is later<sup>2</sup>.

Filing the application begins the actual appeal process. At that time, the County Tax Appeal Board may set a hearing date. After the hearing, the taxpayer and the Department have the opportunity to appeal the decision to the State Tax Appeal Board, and subsequently for judicial review.

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<sup>1</sup> Section 15-15-102, MCA.

<sup>2</sup> Section 15-15-102, MCA.